

(UCITS) and Investment Funds regarding foreign investment undertakings' rights to offer UCITS-funds in Iceland. By virtue of confirmation from the Icelandic Financial Supervision Authority the Company may market and sell its Shares in Iceland. This Prospectus and all other information and documents that the Company must publish in Luxembourg pursuant to applicable Luxembourg Law are not translated into Icelandic as the Company's Shares are only intended to be offered to professional investors in Iceland.

#### Italy

The Company has obtained the registration in Italy of certain Funds from the Commissione Nazionale per le Società e la Borsa (CONSOB) and from the Banca d'Italia pursuant to article 42 of Legislative Decree no. 58 of 24 February 1998 and implementing regulations. The offering of the Funds can only be carried out by the appointed distributors indicated in the Italian wrapper (New Subscription Form) in accordance with the procedures indicated therein. The Italian translation of this Prospectus is available for Italian investors together with the Italian wrapper and the other documents indicated in the Italian wrapper at the offices of the appointed correspondent bank of the Company.

#### Jersey

The consent of the Jersey Financial Services Commission [the "Commission"] has been obtained pursuant to the Control of Borrowing (Jersey) Order 1958, as amended, to raise money in the Island by the issue of Shares of the Company and for the distribution of this Prospectus. The Commission is protected by the Control of Borrowing (Jersey) Law 1947, as amended, against liability arising from the discharge of its functions under that law.

#### Korea

A registration statement for the distribution of Shares in the Company to the public in Korea has been filed with the Financial Supervisory Commission in accordance with the Indirect Investment Assets Management Business Act of Korea and its regulations thereunder.

#### Macau

Authorisation is given by the Antondade Monetaria De Macau for the advertising and marketing the Company and certain registered sub-funds in Macau in accordance with Article 61 and 62 of Decree Law No. 83/99/M of 22 November 1999. This Prospectus is available to Macau residents in both English and Chinese.

#### Malta

The Company has been authorised as a Collective Investment Scheme by the Malta Financial Services Centre ("MFSC") in respect of certain Funds. Such authorisation does not constitute a warranty by the MFSC as to the performance of the Company and the MFSC shall not be liable for the performance or default of the Company.

#### Netherlands

The Company has notified the Netherlands Authority for the Financial Markets (Autoriteit Financiële Markten) in accordance with section 17 of the Investments Institutions Act (Wet toezicht beleggingsinstellingen) and by virtue of a confirmation from the Netherlands Authority for the Financial Markets may offer its Shares to the public in the Netherlands. This Prospectus, a Dutch translation of the simplified prospectus and all information and documents that the Company must publish in Luxembourg pursuant to applicable Luxembourg laws are available from Merrill Lynch Investment Managers Limited, Amsterdam Branch (to be renamed BlackRock Investment Management (UK) Limited, Amsterdam Branch as soon as practicable following the date of this Prospectus).

#### Norway

The Company has notified the Banking, Insurance and Securities Commission of Norway (Kreditilsynet) in accordance with the Securities Funds Act of 1981 and the Regulation of 1994 regarding foreign investment undertakings rights to offer UCITS-funds for sale in

Norway. By virtue of a confirmation letter from the Banking, Insurance and Securities Commission dated 5 March 2001 the Company may market and sell its Shares in Norway.

#### Peru

The Shares of the Company will not be registered in Peru under Decreto Legislativo 862: Texto Unico Ordenado de la Ley del Mercado de Valores, as amended, and may only be offered and sold to institutional investors pursuant to a private placement. The Company has obtained registration in Peru of certain Funds with the Superintendencia de Banca, Seguros y AFP pursuant to Decreto Supremo 054-97-EF Texto Unico Ordenado de la Ley del Sistema Privado del Fondo de Pensiones, as amended, and the rules and regulations enacted thereunder.

#### Poland

The Company has notified the Polish Securities and Exchange Commission (*Komisja Papierów Wartościowych i Giełd*) of its intention to distribute its Shares in Poland under article 253 of an Act on investment funds (Dz. U. 04.146.1546). The Company has established its representative and payment agent in Poland. The Company is obliged to publish in the Polish language this Prospectus, simplified version of Prospectus, annual and semi-annual financial reports and other documents and information required by the provisions of laws of the state where it maintains its head office. The Company distributes its Shares in Poland by authorised distributors only.

#### Portugal

In Portugal, the Comissão do Mercado dos Valores Mobiliários has issued notifications of no objection to the marketing of certain Funds by several distributors (according to the list of Funds contained in the respective non objection notifications) with whom the Principal Distributor has entered into distribution agreements.

#### Singapore

The offer or invitation of Shares of the Company which is the subject of this Prospectus is only allowed to be made to accredited investors and not the retail public in Singapore. Moreover, the Prospectus is not a prospectus as defined in the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"). Accordingly, statutory liability under the SFA in relation to the content of prospectuses would not apply. You should consider carefully whether the investment is suitable for you.

The Company is regulated under Part I of the Luxembourg Law of 20 December 2002 (the "2002 Law"), as amended, relating to undertakings for collective investment and is subject to the supervision of the Commission de Surveillance du Secteur Financier (the "CSSF"). The contact details of the Luxembourg CSSF are as follows:

Address: 110, route d'Arlon  
L-2991 Luxembourg

This authorisation is not to be considered as a positive assessment made by this supervisory authority of the quality of the Shares offered for sale.

The Investment Manager of the Company, BlackRock (Channel Islands) Limited, is regulated by the Jersey Financial Services Commission. The contact details of the Jersey Financial Services Commission are as follows:

Address: PO Box 267  
Nelson House  
David Place  
St Helier  
Jersey, JE4 8TP  
Channel Islands

This Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Prospectus and any

other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Shares may not be circulated or distributed, nor may Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to the public or any member of the public in Singapore other than (i) to an institutional investor specified in Section 304 of the SFA, (ii) to an accredited investor, and in accordance with the conditions, specified in Section 305 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

#### Spain

The Company has obtained registration of some Classes of Shares of certain Funds with the Comisión Nacional de Mercado de Valores in Spain. These Classes of Shares and Funds which may be consulted at the CNMV website [www.cnmv.es](http://www.cnmv.es) may be distributed to the public in Spain through distributors appointed by the Principal Distributor.

#### Sweden

The Company has notified the Financial Supervisory Authority in accordance with Section 7 b of the Securities Fund Act (1990:1114) and by virtue of a confirmation from the Financial Supervisory Authority the Company may publicly distribute its Shares in Sweden.

#### Switzerland

The Swiss Federal Banking Commission has authorised Merrill Lynch Investment Managers Limited (London), Zurich Branch (to be renamed BlackRock Investment Management (UK) Limited (London), Zurich Branch, as soon as practicable following the date of this Prospectus) as the Company's Swiss representative, to offer and distribute the Shares of each of the Company's Funds in or from Switzerland in accordance with Article 45 of the Swiss Federal Law on Investment Funds of 18th March 1994. A German language version of this Prospectus is available which also includes the additional information for Swiss investors in Appendix F of this Prospectus.

#### Taiwan

The Company has obtained the registration of certain Funds with the Securities and Exchange Commission ("SEC") in Taiwan, following an application by a local securities investment consulting enterprise ("SICE"). The Shares may be distributed under the rules of the SEC and in accordance with the Securities and Exchange Law. Shares may be recommended by the SICE for purchase by its customers or directly to customers of authorised banks.

#### United Kingdom

The contents of this Prospectus have been approved solely for the purposes of section 21 of the UK Financial Services and Markets Act 2000 (the "Act") by the Company's UK Distributor, BlackRock Investment Management (UK) Limited, 33 King William Street, London EC4R 9AS (which is regulated by the Financial Services Authority in the conduct of investment business in the UK). The Company has obtained the status of "recognised scheme" for the purposes of the Act. Some or all of the protections provided by the UK regulatory system will not apply to investments in the Company. Compensation under the UK Investors Compensation Scheme will generally not be available. The Company provides the facilities required by the regulations governing such schemes at the offices of BlackRock Investment Management (UK) Limited. UK bearer shareholders should contact the UK Distributor for the arrangements that will apply to them. An applicant for Shares will not have the right to cancel his application under the UK Financial Services Authority Conduct of Business Rules. Further details on Merrill Lynch International Investment Funds can be obtained from the UK Distributor's Broker Support Desk in London, telephone: 08457 405 405.

#### USA

The Shares will not be registered under the US Securities Act of 1933, as amended (the "Securities Act") and may not be directly or indirectly offered or sold in the USA or any of its territories or possessions or

areas subject to its jurisdiction or to or for the benefit of a US Person.

The Company will not be registered under the US Investment Company Act of 1940. US Persons are not permitted to own Shares. Attention is drawn to paragraphs 3 and 4 of Appendix B which specify certain compulsory redemption powers and define "US Person".

#### Generally

The distribution of this Prospectus and the offering of the Shares may be authorised or restricted in certain other jurisdictions. The above information is for general guidance only and it is the responsibility of any persons in possession of this Prospectus and of any persons wishing to make application for Shares to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdictions.

## Appendix E – Summary of Charges and Expenses

Asian Dragon Fund	Initial Charge	Management Fee	Distribution Fee	CDSC
Class A	5.00%	1.50%	0.00%	0.00%
Class B	0.00%	1.50%	1.00%	4.00% to 0.00%
Class C	0.00%	1.50%	1.25%	1.00% to 0.00%
Class D	2.00%	0.75%	0.00%	0.00%
Class E	3.00%	1.50%	0.50%	0.00%
Class J	0.00%	0.00%	0.00%	0.00%
Class Q	0.00%	1.00%	1.00%	4.00% to 0.00%
Class X	0.00%	0.00%	0.00%	0.00%

Asian Tiger Bond Fund	Initial Charge	Management Fee	Distribution Fee	CDSC
Class A	5.00%	1.00%	0.00%	0.00%
Class B	0.00%	1.00%	1.00%	4.00% to 0.00%
Class C	0.00%	1.00%	1.25%	1.00% to 0.00%
Class E	3.00%	1.00%	0.50%	0.00%
Class J	0.00%	0.00%	0.00%	0.00%
Class Q	0.00%	0.55%	1.00%	4.00% to 0.00%
Class X	0.00%	0.00%	0.00%	0.00%

Asia-Pacific Real Estate Securities Fund	Initial Charge	Management Fee	Distribution Fee	CDSC
Class A	5.00%	1.50%	0.00%	0.00%
Class B	0.00%	1.50%	1.00%	4.00% to 0.00%
Class C	0.00%	1.50%	1.25%	1.00% to 0.00%
Class D	2.00%	0.75%	0.00%	0.00%
Class E	3.00%	1.50%	0.50%	0.00%
Class J	0.00%	0.00%	0.00%	0.00%
Class X	0.00%	0.00%	0.00%	0.00%

BRIC Fund	Initial Charge	Management Fee	Distribution Fee	CDSC
Class A	5.00%	1.50%	0.00%	0.00%
Class B	0.00%	1.50%	1.00%	4.00% to 0.00%
Class C	0.00%	1.50%	1.25%	1.00% to 0.00%
Class D	2.00%	0.75%	0.00%	0.00%
Class E	3.00%	1.50%	0.50%	0.00%
Class J	0.00%	0.00%	0.00%	0.00%
Class X	0.00%	0.00%	0.00%	0.00%

Conservative Allocation Fund (Euro)	Initial Charge	Management Fee	Distribution Fee	CDSC
Class A	5.00%	1.35%	0.00%	0.00%
Class B	0.00%	1.35%	1.00%	4.00% to 0.00%
Class C	0.00%	1.35%	1.25%	1.00% to 0.00%
Class E	3.00%	1.35%	0.50%	0.00%
Class J	0.00%	0.00%	0.00%	0.00%
Class Q	0.00%	1.35%	1.25%	4.00% to 0.00%
Class X	0.00%	0.00%	0.00%	0.00%

Conservative Allocation Fund (US Dollar)	Initial Charge	Management Fee	Distribution Fee	CDSC
Class A	5.00%	1.35%	0.00%	0.00%
Class B	0.00%	1.35%	1.00%	4.00% to 0.00%
Class C	0.00%	1.35%	1.25%	1.00% to 0.00%
Class E	3.00%	1.35%	0.50%	0.00%
Class J	0.00%	0.00%	0.00%	0.00%
Class Q	0.00%	1.35%	1.25%	4.00% to 0.00%
Class X	0.00%	0.00%	0.00%	0.00%

Continental European Flexible Fund	Initial Charge	Management Fee	Distribution Fee	CDSC
Class A	5.00%	1.50%	0.00%	0.00%
Class B	0.00%	1.50%	1.00%	4.00% to 0.00%
Class C	0.00%	1.50%	1.25%	1.00% to 0.00%
Class D	2.00%	0.75%	0.00%	0.00%
Class E	3.00%	1.50%	0.50%	0.00%
Class J	0.00%	0.00%	0.00%	0.00%
Class X	0.00%	0.00%	0.00%	0.00%

Dynamic Reserve Fund	Initial Charge	Management Fee	Distribution Fee	CDSC
Class A	5.00%	0.60%	0.00%	0.00%
Class B	0.00%	0.60%	1.00%	4.00% to 0.00%
Class C	0.00%	0.60%	1.25%	1.00% to 0.00%
Class D	2.00%	0.30%	0.00%	0.00%
Class E	3.00%	0.60%	0.50%	0.00%
Class J	0.00%	0.00%	0.00%	0.00%
Class X	0.00%	0.00%	0.00%	0.00%

Emerging Europe Fund	Initial Charge	Management Fee	Distribution Fee	CDSC
Class A	5.00%	2.00%	0.00%	0.00%
Class B	0.00%	2.00%	1.00%	4.00% to 0.00%
Class C	0.00%	2.00%	1.25%	1.00% to 0.00%
Class D	2.00%	1.00%	0.00%	0.00%
Class E	3.00%	2.00%	0.50%	0.00%
Class J	0.00%	0.00%	0.00%	0.00%
Class Q	0.00%	2.00%	1.25%	4.00% to 0.00%
Class X	0.00%	0.00%	0.00%	0.00%

Emerging Markets Bond Fund	Initial Charge	Management Fee	Distribution Fee	CDSC
Class A	5.00%	1.35%	0.00%	0.00%
Class B	0.00%	1.35%	1.00%	4.00% to 0.00%
Class C	0.00%	1.35%	1.25%	1.00% to 0.00%
Class E	3.00%	1.35%	0.50%	0.00%
Class J	0.00%	0.00%	0.00%	0.00%
Class Q	0.00%	0.55%	1.00%	4.00% to 0.00%
Class X	0.00%	0.00%	0.00%	0.00%



Emerging Markets Fund	Initial Charge	Management Fee	Distribution Fee	CDSC
Class A	5.00%	1.50%	0.00%	0.00%
Class B	0.00%	1.50%	1.00%	4.00% to 0.00%
Class C	0.00%	1.50%	1.25%	1.00% to 0.00%
Class D	2.00%	0.75%	0.00%	0.00%
Class E	3.00%	1.50%	0.50%	0.00%
Class J	0.00%	0.00%	0.00%	0.00%
Class Q	0.00%	1.50%	1.25%	4.00% to 0.00%
Class X	0.00%	0.00%	0.00%	0.00%

Euro Bond Fund	Initial Charge	Management Fee	Distribution Fee	CDSC
Class A	5.00%	0.75%	0.00%	0.00%
Class B	0.00%	0.75%	1.00%	4.00% to 0.00%
Class C	0.00%	0.75%	1.25%	1.00% to 0.00%
Class E	3.00%	0.75%	0.50%	0.00%
Class J	0.00%	0.00%	0.00%	0.00%
Class Q	0.00%	1.15%	1.25%	4.00% to 0.00%
Class X	0.00%	0.00%	0.00%	0.00%

Euro Corporate Bond Fund	Initial Charge	Management Fee	Distribution Fee	CDSC
Class A	5.00%	1.00%	0.00%	0.00%
Class B	0.00%	1.00%	1.00%	4.00% to 0.00%
Class C	0.00%	1.00%	1.25%	1.00% to 0.00%
Class E	3.00%	1.00%	0.50%	0.00%
Class J	0.00%	0.00%	0.00%	0.00%
Class X	0.00%	0.00%	0.00%	0.00%

Euro Reserve Fund	Initial Charge	Management Fee	Distribution Fee	CDSC
Class A	0.00%	0.75%	0.00%	0.00%
Class B	0.00%	0.75%	0.00%	0.00%
Class C	0.00%	0.75%	0.00%	0.00%
Class E	0.00%	0.75%	0.25%	0.00%
Class J	0.00%	0.00%	0.00%	0.00%
Class Q	0.00%	0.75%	0.00%	0.00%
Class X	0.00%	0.00%	0.00%	0.00%

Euro Short Duration Bond Fund	Initial Charge	Management Fee	Distribution Fee	CDSC
Class A	5.00%	0.75%	0.00%	0.00%
Class B	0.00%	0.75%	1.00%	4.00% to 0.00%
Class C	0.00%	0.75%	1.25%	1.00% to 0.00%
Class E	3.00%	0.75%	0.50%	0.00%
Class J	0.00%	0.00%	0.00%	0.00%
Class Q	0.00%	1.00%	1.25%	4.00% to 0.00%
Class X	0.00%	0.00%	0.00%	0.00%

Euro-Markets Fund	Initial Charge	Management Fee	Distribution Fee	CDSC
Class A	5.00%	1.50%	0.00%	0.00%
Class B	0.00%	1.50%	1.00%	4.00% to 0.00%
Class C	0.00%	1.50%	1.25%	1.00% to 0.00%
Class D	2.00%	0.75%	0.00%	0.00%
Class E	3.00%	1.50%	0.50%	0.00%
Class J	0.00%	0.00%	0.00%	0.00%
Class Q	0.00%	1.15%	1.25%	4.00% to 0.00%
Class X	0.00%	0.00%	0.00%	0.00%

European Focus Fund	Initial Charge	Management Fee	Distribution Fee	CDSC
Class A	5.00%	1.75%	0.00%	0.00%
Class B	0.00%	1.75%	1.00%	4.00% to 0.00%
Class C	0.00%	1.75%	1.25%	1.00% to 0.00%
Class D	2.00%	1.00%	0.00%	0.00%
Class E	3.00%	1.75%	0.50%	0.00%
Class J	0.00%	0.00%	0.00%	0.00%
Class X	0.00%	0.00%	0.00%	0.00%

European Fund	Initial Charge	Management Fee	Distribution Fee	CDSC
Class A	5.00%	1.50%	0.00%	0.00%
Class B	0.00%	1.50%	1.00%	4.00% to 0.00%
Class C	0.00%	1.50%	1.25%	1.00% to 0.00%
Class D	2.00%	0.75%	0.00%	0.00%
Class E	3.00%	1.50%	0.50%	0.00%
Class J	0.00%	0.00%	0.00%	0.00%
Class Q	0.00%	1.15%	1.25%	4.00% to 0.00%
Class X	0.00%	0.00%	0.00%	0.00%

European Growth Fund	Initial Charge	Management Fee	Distribution Fee	CDSC
Class A	5.00%	1.50%	0.00%	0.00%
Class B	0.00%	1.50%	1.00%	4.00% to 0.00%
Class C	0.00%	1.50%	1.25%	1.00% to 0.00%
Class D	2.00%	0.75%	0.00%	0.00%
Class E	3.00%	1.50%	0.50%	0.00%
Class J	0.00%	0.00%	0.00%	0.00%
Class X	0.00%	0.00%	0.00%	0.00%

European Opportunities Fund	Initial Charge	Management Fee	Distribution Fee	CDSC
Class A	5.00%	1.75%	0.00%	0.00%
Class B	0.00%	1.75%	1.00%	4.00% to 0.00%
Class C	0.00%	1.75%	1.25%	1.00% to 0.00%
Class D	2.00%	1.00%	0.00%	0.00%
Class E	3.00%	1.75%	0.50%	0.00%
Class J	0.00%	0.00%	0.00%	0.00%
Class Q	0.00%	1.75%	1.25%	4.00% to 0.00%
Class X	0.00%	0.00%	0.00%	0.00%